

the policy initiatives we could take would give us the biggest bang for the buck. What they told us is No. 1 would be extension of unemployment insurance. Why? Because the people who receive those benefits are most likely to spend the money. That means there would be increased demand in the economy, and that would give additional lift.

Let me be swift to add: For those who are concerned about deficit and debt, I am with you, absolutely, because our long-term threat is this growing debt. But CBO has told us in testimony before the Budget Committee there is no contradiction between taking steps in the short term to give lift to the economy and taking steps in the medium term and the longer term to rein in deficits and debt.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CONRAD. Madam President, I ask unanimous consent for an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. I thank the Chair and I thank my colleagues.

This is what JPMorgan Chase has said on expiring payroll tax cut and emergency unemployment benefits:

For 2012, the more important issue is what happens to expiring stimulus measures. . . . Together, [the payroll tax cut and the emergency unemployment benefits] have lifted household disposable income by about \$150 billion this year. If they expire as scheduled, consumption growth early next year would be challenged. . . . In our baseline view, the drag from tightening fiscal policy [including expiration of the payroll tax cut and emergency unemployment benefits] could subtract 1.5%-2.0% from GDP growth next year.

Since GDP growth is only forecast at 2.5 to 3 percent, a reduction of 1.5 to 2 percent would be a dramatic reduction.

This is what Mark Zandi, the chief economist of Moody's Analytics, said:

If policymakers do nothing here, if Congress and the administration just sit on their hands and they do nothing, the odds are very high we'll go into recession early next year. . . . We have a payroll tax holiday, all of us. . . . We'd be in recession right now without it. . . . If they don't [extend] that, at the very minimum, we'll likely go into recession.

I hope very much that colleagues are listening. I hope very much that we are able to proceed to address this matter of extending the payroll tax cut and of extending unemployment insurance.

I think I want to end as I began. If we had not had the government response in TARP and stimulus, Zandi and Blinder—two of the top economists in this country, one who was an adviser to the McCain campaign, one who was the Deputy Chairman of the Federal Reserve—have said we would be in a depression today. We would be in a depression today, with 16-percent unemployment and 8 million fewer people having jobs. We ought to pay close attention to that advice. We ought to act on it, and we ought to do it together. We ought to find a way for principled compromise on both sides.

This body is bigger and better than we are demonstrating at this hour. We have the chance to prove to the American people that we are worthy of their confidence and that we are able to respond and do the urgent business of the Nation. I hope we don't disappoint them.

I thank the Chair and my colleagues for the courtesy of the additional time, and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

EXTENSION OF MORNING BUSINESS

Mr. CONRAD. Madam President, I ask unanimous consent the period for morning business be extended until 7:30 p.m., with Senators permitted to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from North Dakota.

KEystone XL PIPELINE

Mr. HOEVEN. I wish to begin by thanking my esteemed colleague from the great State of North Dakota. I appreciate very much his support for this important project as he has again expressed. This is something we worked on for a great length of time. It is something we have quite a bit of background and experience with, energy production and the infrastructure needs that go with it. Again, I express my appreciation to Senator CONRAD for his support of the project, and also for expressing, and I think doing so in very eloquent terms and in terms that are very much appreciated, that he feels this is something that needs to advance; that he feels as we work forward in terms of determining how to handle the payroll tax cut holiday issue, this is something that can be helpful and constructive.

I am here to speak in support of the Keystone project. You might say, Why? Why is it important that we move forward with this project? Well, first and foremost, because it is a tremendous job creator, but also because it reduces our dependence on foreign sources of oil as well as improving environmental stewardship. I want to take a minute to talk about all three aspects of the legislation.

Together with my colleagues, I put forward the North American Energy Security Act of 2011. Essentially, that legislation clears the path to move forward with the Keystone XL Pipeline project.

For those who may not be familiar with the Keystone XL Pipeline, I brought this chart that actually shows the route it travels. It is a 1,700-mile-long pipeline which runs from Alberta, Canada, down to our refineries in the gulf coast region. As you can see, it is this blue line laid out on the chart. Right next to it we have this red line. This is the Keystone Pipeline. I will

take a minute to talk about that, because I think it is important in the context of what we are trying to do with Keystone XL.

Prior to being elected to the Senate, I served the State of North Dakota for 10 years as Governor. During that time, we worked with many companies to develop pipeline infrastructure in North Dakota as we produced more and more oil for this Nation, but we also worked with our neighbors from the North who provide oil to our country as well, in fact 2.2 million barrels a day, to move that product safely into our country.

The Keystone Pipeline, built by TransCanada, as you can see, tracks from Alberta, Canada, all the way down to Patoka, IL. So it is similar in that it brings Canadian crude into our refineries here in the United States, which is refined and reduces our dependence on other sources of oil. About 590,000 barrels a day flow through the Keystone Pipeline right now. So when we talk about the Keystone XL project, we are not talking about something which hasn't been done before. In fact, we just got done permitting this pipeline, which is almost identical, bringing oil from roughly the same place in Canada down to refineries into the United States. That has already been approved by EPA and the Department of State. It went through the requisite NEPA and study processes, it went through the proper processes with the Department of State, and it has been approved, 590,000 barrels a day coming into our country to reduce our dependence on oil from places such as the Middle East and Venezuela right now. So when we talk about Keystone XL, we are not talking about doing anything we haven't already done.

This pipeline—which would run a little bit to the west—again roughly starts up about the same place, Alberta, Canada, comes down further than the existing Keystone Pipeline down to our refineries. It is important to know that this isn't just about moving crude oil from Canada to the United States. This is also about moving oil within the United States.

In this part of our country, in North Dakota and in Montana, we are producing a tremendous amount of oil. My home State of North Dakota today is closing in on oil production of 500,000 barrels of oil a day. We will put 100,000 barrels a day of crude oil, such as sweet crude, into this pipeline as well. So it is not just about moving Canadian oil in America, it is about moving oil within our country, production from the Bakken region in the Williston Basin, down to our refineries.

Also, you will notice that the pipeline comes down to Cushing, OK. Right now we have a backlog of oil in Cushing, OK, and this pipeline will move oil from Cushing down to the refineries in Texas and Louisiana. So it helps solve bottleneck issues, moving oil in our country, which will help reduce prices to consumers as you eliminate some of these bottlenecks and price disparities.

Again I go back to the point of my being here today, talking about this legislation, which is solutions-oriented legislation, problem-solving legislation. What it does is it creates jobs, it reduces our dependence on Middle East oil, and again it provides better environmental stewardship. So when I say it is solutions oriented, what do I mean by that? The issue, as I think most people who follow this issue will recall, the concern or the problem was in the Sandhills region of western Nebraska. Concern had been expressed about going through the Sandhills of Nebraska. That is an area where we have the Ogallala aquifer, and there was concern there that there might be an issue should there be any kind of breach in the pipeline. So that was the issue.

However, the State of Nebraska recently had a special session. In that special session, they said, Hey, we will work to reroute the project to eastern Nebraska, similar to the pipeline that already exists. That eliminates the problem. Now we don't have an issue anymore in the Sandhills area of Nebraska.

The legislation we have written and that has now been incorporated into the House bill takes that very solution and incorporates it into the legislation. It says the Nebraska Department of Environmental Quality can work with EPA and the State Department to reroute the project in Nebraska so there is no longer an issue. We solve the problem. It is problem-solving legislation.

We say as to the entire project that the administration, with State, the EPA, and so forth, has to make a decision on whether to approve the project within 60 days. Is it in our national interest? They have to make that decision within 60 days so the project can get started and we can start creating those construction jobs. But as to Nebraska, they are not bound by the 60 days. They have the time they need to incorporate the solution from the State's special session.

All we are saying is this project has been studied for 3 years. It has been studied for 3 years already. It has gone through the NEPA process. It has gone through the full EIS. State was ready to make a decision. It got held up because of Nebraska, and we specifically addressed that problem. Now it is time to go forward. That is why this is problem-solving legislation.

Again, this is about creating jobs. This is about reducing our dependence on Middle East oil. We absolutely address the issue of Nebraska. We do not set a 60-day time limit on it. As to the rest of the project, we can get started.

Let's talk about who supports the project. The Prime Minister of Canada, Stephen Harper, has talked to our President and said, look, our greatest ally is Canada. Canada says, this is a very important project for Canada. This is about producing our energy resources in Canada. This is about jobs and economic opportunity in Canada.

Let's join with our best ally and together create jobs and produce energy we can count on.

The issue has been brought up about environmental stewardship. For those who say we have some concerns about producing oil in the oil sands region of Canada, I submit Canada is doing what we are doing. North Dakota all the time is improving their technology in order to improve their environmental stewardship. For example, going to in situ mining rather than for excavation for things such as producing the oil sands.

The point we have to understand that is very important is, if the pipeline doesn't go this way, if the pipeline doesn't go south, it is going to go west. If this product does not come to the United States, this 700,000 barrels, it is going to the west coast of Canada, where it will be loaded on ships and it will go to China.

We have a choice to make. Do we want to reduce our dependence on oil from the Middle East and from Venezuela and other parts of the world where we have real security issues? Do we want to increase the relationship and the economic ties with our best ally in the world or do we want 700,000 barrels a day of Canadian oil going to China instead?

By the way, let's talk about the environmental stewardship. That means we have to haul it over there on oil tankers. We have to continue to bring our product in on oil tankers, so we have higher emissions instead of lower emissions. Instead of that oil being refined in the cleanest refineries in the world, which we have, it is going to be refined in refineries in China, which have much higher emissions.

Again, the whole focus of the legislation—I authored the bill. The whole focus in writing this bill was to say: How do we solve the problem? How do we deal with the concerns? How do we make sure we are being fair to people but that we move forward with real job creation, with producing more energy to increase our energy independence with our good friend and neighbor, our strongest ally—Canada? How do we continue to do more in terms of private investment, deploying technologies, creating better environmental stewardship? It is about problem-solving legislation.

We can see we have not only the U.S. Chamber of Commerce now supporting this legislation, because they want to see job creation, but we have all the large building and trade unions supporting it as well—AFL-CIO, International Brotherhood of Teamsters, International Brotherhood of Electrical Workers, Labors International Union of North America, United Association, International Union of Operating Engineers.

It is America's workers who are clamoring for the expedited approval of this important project. We can't wait.

Mark Ayers, president, Building & Construction Trades Department, AFL-CIO:

The Keystone Pipeline project will offer working men and women a real chance to earn a good wage and support their families in this difficult economic climate.

James P. Hoffa, International Brotherhood of Teamsters:

At a time when jobs are the top global priority, the Keystone Project will put thousands back to work and have ripple benefits throughout the North American economy. Our members look forward to being part of this historic project and pledge to deliver the highest quality work to make it a success.

President Edwin D. Hill, International Brotherhood of Electrical Workers. The list goes on.

As I said, this project has been studied for 3 years. We have already built the sister project. We have gone through that whole process. This has been studied for 3 years already.

How much will this project cost the American taxpayer? This is a \$7 billion investment, but it is private investment. It is private investment that stimulates job creation. Not only will it not cost the American taxpayer one dime, The Perryman Group from Waco, TX, estimates it will create hundreds of millions of dollars in local and State revenues.

Our country faces some real challenges. One of those challenges is we have to get people back to work. We have 8.6 percent unemployment. We have 13.3 million people looking for work. We need to get them back to work. So government needs to create the legal, tax, and regulatory environment that stimulates private investment and gets people back to work. This legislation, this project, helps do that.

We have a deficit and a debt—a deficit of about \$1.3 trillion, a debt that is now \$15 trillion. When our President took office, our debt was \$10 trillion. The national debt was \$10 trillion. Today it is \$15 trillion.

We have to get a grip on our spending. We have to start finding savings, but at the same time we have to grow this economy. We have to get private investment going and grow this economy. That growth in revenues and controlling our spending is what will reduce the deficit and the debt.

You know what, we have to do more to reduce our energy dependence on places such as the Middle East and Venezuela, where we have real challenges. This is the kind of project that can do it. I submit we need to move forward. This body has the opportunity to truly empower the kind of investment we need to move our economy forward, to create greater energy independence, and to help Americans get back to work. That is exactly what they want. I encourage my colleagues to support this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

BALANCED BUDGET AMENDMENT

Mr. KIRK. Mr. President, too often we have set-piece speeches in the Senate without any resort to the traditional debate, where two sides are equally dividing time without a set script on a critical issue before our country. I would like to restart the true Senate tradition of debate with a debate with my colleague from Delaware.

I will yield to him right now.

Mr. COONS. I thank Senator KIRK. I am grateful for the Senator inviting me to join him in a real debate on the floor on an issue about which we disagree and about which we cast opposing votes earlier today. It is an issue of real import to our country. It is something that has been debated in the past and will be in the future but essentially whether we should have a balanced budget amendment.

Mr. KIRK. What I would like to do now, in sort of a chess clock style, is take 10 minutes, with unanimous consent, to be equally divided between me and the Senator from Delaware on the subject of the balanced budget amendment.

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered. For 10 minutes, the Senator from Illinois and the Senator from Delaware may engage in a colloquy. The Parliamentarian will keep track of the time of each, to the best of our capability.

Mr. KIRK. Mr. President, the United States needs to adopt a balanced budget amendment to the Constitution. It was a good idea when Thomas Jefferson backed it and it is an even more important idea today. What we are seeing in Europe is a collapse of government finance because they have spent too much, taxed too much, and borrowed too much. Not only do they have a crisis of their government debt, but they have higher taxes and lower economic performance because of that philosophy.

We cannot repeat that mistake. That is why the Senate should have adopted a balanced budget amendment. I will speak in bipartisan fashion—any of the balanced budget amendments we considered today would have been better, rather than to subject our country to a rising tide of debt and an economic model which is already, we are seeing, failing in Europe.

Mr. COONS. I could not agree more that we need to be responsible; that the United States and this Senate need to face our serious and crippling national deficits and debt.

It was a good idea when Thomas Jefferson recognized that a balanced budget amendment was a bad idea. Thomas Jefferson actually, several years later, after supporting a balanced budget amendment, acted as President in ways that demonstrated he understood that real opportunities required extraordinary capabilities by the Federal Government.

I was a county executive. Others in this Chamber who were mayors or Gov-

ernors lived with balanced budget requirements and it imposed great restrictions on us. It forced us to make tough decisions on annual timelines, so I understand why it is tempting to consider passing one of the balanced budget amendments that were before this Chamber today.

But there is a difference between the Federal Government and the State and local governments. Thomas Jefferson acted decisively to make the Louisiana Purchase possible and to finance the War of 1812. During the current economic downturn, if the Federal Government had not been able to borrow and invest in restoring growth to this country, we would not have had a great recession, we would have had a second depression. I am convinced of it, and it is one of the reasons I think, had the balanced budget amendment been in place, we would have been in even greater trouble than we have been over the last few years.

Mr. KIRK. What we see now, today, though, is that we are awash in \$15 trillion in debt and that since the creation of the triple A credit rating by Standard & Poor's, the United States has now lost that rating.

When young Americans are born today, they already owe the Federal Government \$40,000. So they will have a lower income and a higher tax burden throughout their working lives because of the debts put on them.

The biggest reason for a balanced budget amendment, though, is we have a structural inability to represent young Americans. They cannot vote until they are age 18. Yet the representatives of their parents can transfer tremendous burdens onto that young generation of Americans. The essence of the American dream is that our children's lives will be better than our own. But given the weight of the debt we are now transferring onto the backs of the next generation, that may no longer be possible.

We absolutely have to have a structural way to prevent one generation from transferring new spending and new debt to the new generation so the American ideal is preserved and so they have a fighting chance to have a better life than their parents.

Mr. COONS. This Senate can, should, and has shown the ability to reach balanced budgets—no, in fact, surpluses—within living memory. In fact, when President Clinton was the President, this Senate and the House acted together. They adopted budgetary self-restraint.

Why amend the Constitution of the United States, our most foundational document, when we have within our own power, recently demonstrated in the late 1990s, the capacity to control ourselves?

The Senator and I agree we are leaving to our children an enormous, crushing legacy of a national debt that has exceeded safe boundaries. But why amend the Constitution in order to force the Senate to do our job? Instead,

I think we should embrace some of the tough, big, bold, bipartisan proposals that have been put on the table—whether the Bowles-Simpson Commission or others. The framework of a broad deal that requires sacrifice from all, changes to the spiraling Federal spending, and changes in the direction of the country is on the table before us. Why take a detour into amending America's foundational document rather than simply stepping up and doing the job that is before us?

Mr. KIRK. The job of each generation is to make sure the Constitution deals with critical problems facing the country, so we amended the Constitution so we could prohibit slavery. We amended the Constitution so we could grant women the right to vote. We should amend the Constitution to prevent one generation from encumbering the next generation.

America is the greatest experiment in self-government and, more important, the underlying value of self-rule ever designed. But we have seen in recent days that self-control disappear. We work in the Senate, now well onto I think 900 days, without a budget. This is the most successful corporation, the most successful enterprise on Earth, representing the real aspiration for human dignity and freedom. Yet that is in danger if we become indebted to China and other countries in ways that no previous generation of Americans have done. This country has regularly amended the Constitution to fix inequities in our society, and the growing inequity we see today is debt and deficits, especially to other countries. Therefore, we should amend the Constitution to protect those who cannot yet vote from an economic fate that would otherwise befall them.

Mr. COONS. Mr. President, how much time remains?

The PRESIDING OFFICER. On the Senator's side, 2 minutes 20 seconds; on the side of the Senator from Illinois, 1 minute 16 seconds.

Mr. COONS. Mr. President, as the good Senator from Illinois suggests, we are, indeed, encumbering future generations with a debt that has risen above \$40,000 per American. This is a central challenge of our time, one in which our national security leadership has cited as critical to ensuring our security and our liberty going forward. But, in my view, the balanced budget amendment that was advanced through S.J. Res. 10 earlier today would compel exactly the sort of intergenerational burdens that my good friend from Illinois suggests he seeks to avoid.

Let me be clear. The requirements of that balanced budget amendment include a spending cap, a supermajority requirement to raise the national debt, and a two-thirds requirement for any increase in Federal revenue. Those in combination would compel drastic, immediate, and substantial reductions in a wide range of programs—such as Social Security, Medicare, Medicaid, veterans benefits—that if imposed would